

Air Education and Training Command

Sustaining the Combat Capability of America's Air Force



International Negotiations

Integrity - Service - Excellence



1960s Games Theory Influence

(Thomas Schelling, Anatol Rapoport, Fred Charles Ikle)



1. non-zero-sum or “mixed motive”
2. Realization of common interest while conflicting interests exist
3. Theorizing evolved into two approaches
 1. One that emphasizes the competitive nature of the negotiations process
 1. Effort to advance the interest of one party relative to its rivals—win-lose (bargaining) or zero sum
 2. One that highlighted the more cooperative effort to enlarge the joint interests of both parties simultaneously
 1. A more cooperative effort to enlarge the joint interests of both parties simultaneously—win-win (problem-solving)



Bargaining Paradigm



- Initial offers
- Commitments made to certain positions
- Promises of rewards and threats of sanctions
- Concessions made
- Retractions of previous offers and concessions
- If concessions making overcomes pressure to diverge, agreement comes somewhere between opening offers
- Alternately, stalemate or breakdown of negotiations
- Inequality may lead to asymmetrical outcomes
- Virtually all cases result in compromise



Bargaining Paradigm



- Fits with realist interpretations of international politics
- Emphasizes competitive nature of relations among sovereign nation-states
- Threats result in defensive positions that threaten others



New Problem-Solving Paradigm

(Anatol Rapoport)



- Again from game theory
- Building on assumptions of traditional bargaining framework
- Joint search for “empathetic understanding” and “domain of validity”
- Real or perceived conflicts of interest arise



Bargaining or Problem-Solving Paradigm

(Richard Walton and Robert McKersie)



- Bargaining
 - Interests are in basic conflict
 - Each tries to win largest possible share (value claiming)
- Problem-solving
 - Parties may enlarge the benefits available (value creation)
 - Both may gain
 - “Win-Win” negotiations
 - “Principled Negotiations” (Roger Fisher, William Ury, Bruce Patton)
 - Negotiations based on interests rather than on bargaining positions
 - Understand the problem and then arrive at formula to guide bargaining



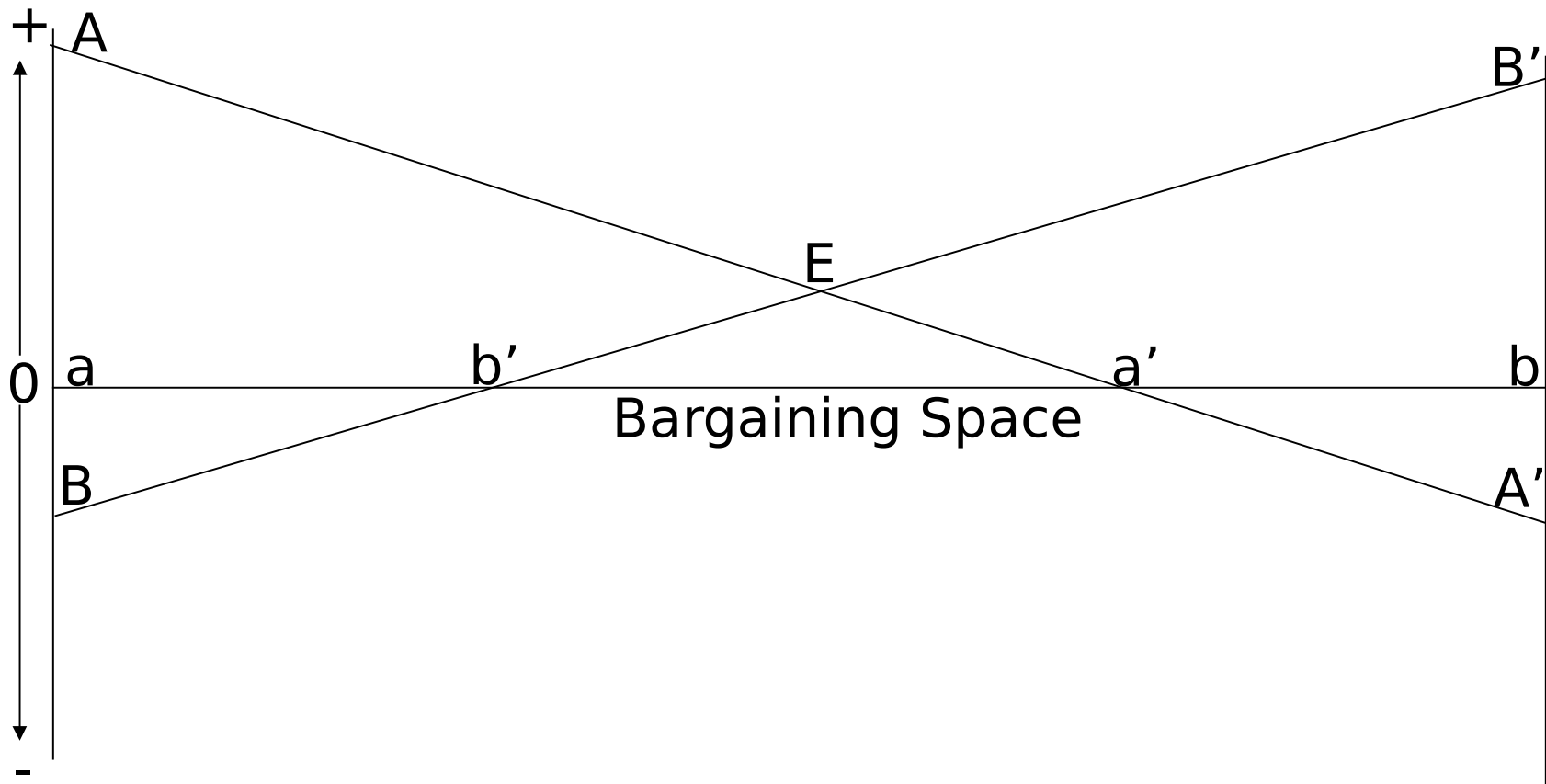
Bargaining Paradigm



- Focuses on states as represented by group of negotiators who have to achieve specific national interests
- Interests—fixed and unitary
- Task is to maximize those national interests
- Interests are mapped on bargaining situation as “preferences”
- Outcome evaluated according to amount of “utility” produced



Bargaining Paradigm



Horizontal axis = issue dimension
Vertical axis = gains (+) and losses (-)
relative to nonagreement (0)

$A \rightarrow A'$ = A's preference curve
 $B \rightarrow B'$ = B's preference curve
 a = A's preferred outcome

a' = A's minimum acceptable outcome
 b = B's preferred outcome
 b' = B's minimum acceptable outcome
 E = point of "equitable" solution, where
gains of both parties relative to
nonagreement are equal



Bargaining Power



- Parties with greater capabilities can generally make their threats and promises more credible
- Parties have different capacities to actually carry out rewards and punishments
- Goal is to reach agreement just inside the opponent's point of minimum acceptability



Progress in Bargaining



- Best = concessions by one party are reciprocated by concessions by the other party
- One party must risk introducing the first concession
- Parties may try to reinforce their position by making firm commitments to particular positions
- If one party is successful in making its commitments credible, then the others have only a choice between
 - accepting agreement on the terms announced by the first
 - Rejecting those terms and creating a stalemate



Breaking Stalemates in Bargaining



- Threats and promises
 - Promises of rewards more likely to yield concessions
 - Counterthreats or counterpromises may increase the likelihood of a deadlock
 - If stalemate broken, likelihood that outcomes will be asymmetrical and perceived unfair
- Third party intervention
 - May create simultaneous concessions
 - May coordinate concession
 - Bargaining most likely to be effective
 - Rarely used in international-negotiations



Outcomes of Bargaining



- Reciprocity required
- Tendency toward sub-optimal agreement
- Frequently asymmetrical
- Tactical maneuvering inherent in bargaining makes “fair” outcomes extremely difficult
- Conflictual behavior lessens cooperation



Problem-Solving



- Goal is to solve common problems to benefit everyone
- Reframing
- Intertwined issues—security, political, economic, social, cultural
- Assumes power to implement agreement
- Creates value
- Different interests lead to creative solutions



Process of Problem-Solving



- Diagnosis
 - Formula
 - Detail
-
- Often “track two” diplomacy



Benefits of Problem-Solving



- Agreements that are more efficient, equitable, and stable
- Focuses on basic needs of parties
- Identifies elements of conflict
- Requires parties to emphasize
- Creating norms that facilitate an atmosphere of cooperation
- Works well with neutral third party
- Promotes agreements that are usually more enduring



Bargaining vs. Problem-Solving



- Fundamentally different ideal types of negotiating process
- Appropriate approach depends on
 - nature of issue
 - Preexisting relationship among parties
 - Background factors for context of negotiation



Bargaining



- Two or relatively few parties and a single or a few issues along a continua
- Payoffs are easily divided among the parties
- Nature of the problem may not present many options
- At least one of the parties pursues inflexible tactics
- Power asymmetries constitute an important factor



Problem-Solving



- Absence of bargaining space
- Multiple and complex issues are linked
- Multiple parties whose preferences are different and crosscutting
- Intense emotional involvement by parties



Criteria for Evaluating Outcomes



- Empirical—which approach best describes and explains how the negotiation process is actually conducted
- Normative—which negotiation process is likely to be most efficient and produce the best possible agreements under varying conditions
- Four criteria
 - Agreement
 - Efficiency
 - Equity
 - Stability